

R 061439Z NOV 08  
FM AMEMBASSY PARIS  
TO SECSTATE WASHDC 4753  
USDOC WASHDC  
DEPARTMENT OF AGRICULTURE WASHDC  
WHITE HOUSE WASHDC  
INFO OECD POSTS COLLECTIVE  
AMEMBASSY BRASILIA  
AMEMBASSY BUENOS AIRES

UNCLAS PARIS 002027

FROM USOECD

STATE FOR EUR/ERA, EEB/EPPD  
STATE PASS USTR FOR MROHDE

E.O. 12958: N/A

TAGS: [OECD](#) [ETRD](#) [EAGR](#) [ECON](#) [SENV](#)

SUBJECT: OECD: "SOCIETAL CONCERNS" AND NON-TARIFF MEASURES MAJOR  
TOPICS AT JOINT WORKING PARTY ON AGRICULTURE AND TRADE MEETING,  
OCTOBER 16-17, 2008

11. SUMMARY: The Organization for Economic Cooperation and Development's (OECD) Joint Working Party on Agriculture and Trade (JWPAT) held its 60th meeting October 16-17, 2008. During the meeting, there was discussion concerning election of the 2009 Bureau, including the position of Chair. Only one paper on the agenda was subject to a decision on its declassification, whereas the others were intended for discussion by or as information for the delegates. The paper on "Societal Concerns" was discussed for declassification; however, based on several Members' concerns (including the US and France) regarding the quality of the paper, it was not approved for declassification. The JWP also discussed two papers on non-tariff measures (NTMs) in agro-food trade. These were used as a basis to table a room document requesting Members to review possible case studies that would utilize the suggested analysis framework. Other agenda items included an update on the Doha Development Round and its implications on the JWP's Programme of Work and Budget (PWB) and papers on maritime trade costs; a case study of Foot and Mouth Disease (FMD) regarding the impacts of animal disease outbreaks and control practices on agricultural markets and trade; and a paper on extensive margins in agricultural trade. The U.S. Delegation included Art Coffing/FAS, Susan Sadocha/FAS, Anne Effland/ERS, Melinda Meador/ US Embassy Paris and Margaret Hawley-Young/USOECD. END SUMMARY.

12. The October 16-17 meeting of the JWPAT began a discussion of the 2009 Bureau election. Bureau Facilitators Jack McIver (UK) and Eva Blanco Medio (Spain) explained that the current Chair Fran Freeman (Australia) has resigned, and that the current Vice-Chair Cornelia Burns (Germany) could not serve as Chair due to professional conflicts. The nomination period closed COB October 17. To our knowledge, there was not much official interest among members in nominating a Chair; however there were unofficial discussions that perhaps a Mexican or Dutch candidate would emerge. Additionally, the US and Canada supported a proposal to expand the Bureau to more than 2 persons to avoid such a dilemma in the future. While there was no opposition to the proposal among Members, the Facilitators indicated that a process to expand the bureau would be considered and revisited in the future. The Agenda and Summary Record of the 59th Session were adopted.

13. Trade and Trade Policy Implications of Different Policy Responses to Societal Concerns - This paper was up for declassification, however due to serious concerns among several members regarding the quality and objective of the paper, members did not agree to declassification. (Note that previous versions of this paper were discussed and heavily criticized at the January and November 2007 JWPAT meetings.) The US strongly opposed declassification pointing out that the paper was poorly written, lacked focus and clarity of the issue, and included technical errors. The U.S. proposed that the planned 2009 November workshop on societal concerns could seek to provide clarification of the issue and help identify those areas of consensus among members. Canada also criticized the paper along the same grounds, as well as in being too prescriptive, while

Germany pointed out that the paper had some legal inaccuracies. France also had major problems with the paper suggesting that further work needs to be done before declassification. Those in support of declassification included the European Commission, Switzerland, Norway, Mexico and the Netherlands. The Secretariat tried to address the questions of the paper's focus and objective by stating that the author was trying to compartmentalize societal concerns in relation to trade by pointing out those "societal concerns" that are dealt with under the TBT and SPS Agreements, and by doing so help to identify the "sensitive" issues, such as GMO's and animal welfare, where no consensus exists in order to foster dialogue among members in a setting such as the November 2009 workshop. Canada proposed that the paper may be improved if it included a paragraph on its objective. As there was clear contention among the members on how to proceed, the Secretariat proposed that members provide written comments by November 20. The paper will then be revised to reflect as much as possible the members' views and be presented for written declassification and/or discussed at the May 2009 JWPAT. The Secretariat pointed out that in the event that members still cannot agree, given budgetary and staff constraints, future work on the paper will be terminated.

¶4. Cost-Benefit Framework of Non-Tariff Measures and Data - Two papers were up for discussion at the JWPAT. (Note that a scoping paper on this topic was discussed at the November 2007 JWPAT.) In addition, a room document was tabled requesting members' provide input on proposed NTM case studies using the cost-benefit framework analysis. While members generally were supportive of the methodology used in the cost-benefit analysis, several members expressed serious concern with the dataset used, i.e. TRAINS, in identifying NTM's. The U.S. also expressed concerns about the UNCTAD TRAINS data indicating that it has significant inaccuracies and that UNCTAD probably does not have the capacity to manage it. The Secretariat acknowledged the concerns over the datasets, i.e. TRAINS is biased towards those with good notification discipline, but indicated there is a lack of alternatives.

¶5. The room document proposes 6 case studies using the cost-benefit framework type analysis. It includes a review of an NTM on pig meat filed by the US in 2002. Other cases include restrictions on cheese, shrimp, fruits and vegetables and cut flowers. Members were asked to provide comments on the proposals by November 17th.

¶6. Other Agenda Items: The Secretariat updated its plans for work in lieu of the evaluation of the Doha agreement. Work will continue on a symposium to address the future of agriculture in Spring 2009 on the heels of the COAG, as well as on scenario studies to commence in Summer 2009. A paper on Maritime Transport Costs was discussed with the majority of members finding the work useful and interesting. This study is being done in collaboration with Trade Committee (TC) work, and seeks to account for costs and their impact on the value, quantity, composition and destination of traded agricultural goods. The author will revise the paper based on members' comments and the paper will be up for declassification at the May 2009 JWPAT.

¶7. Another paper for discussion was the "Impact of Animal Disease outbreaks and Control practices on Agricultural Markets and Trade: the Case of FMD." The paper analyzed the impacts of alternative control practices in the event of an FMD outbreak. Several members had comments including Canada, Germany and Australia who indicated that the assumptions were rather simple and conclusions unclear. Others, such as France and Denmark, supported the paper commenting that the study was "reasonable" and "well-organized." Dr. Alex Thiermann of the OIE attended the session and emphasized the need for more data in order to detect animal disease outbreaks earlier. Thiermann commented that he looks forward to future collaboration with the OECD in this area of work. The Secretariat plans to declassify the paper after member's comments are taken into consideration.

¶8. The final paper discussed was "Extensive Margins in Agricultural Trade." Several members were supportive of this work which seeks to estimate contributions of extensive and intensive margins to overall agricultural export growth. While the U.S. had some concerns with the paper's quality, the majority of members were supportive. After members' comments are taken into consideration, the paper will move forward for declassification.

